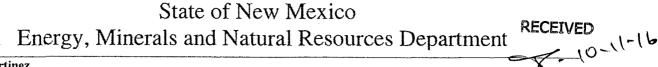
NM OIL CONSERVATION

ARTESIA DISTRICT

OCT 1 1 2016



Susana Martinez Governor

David Martin Cabinet Secretary

Tony Delfin Deputy Cabinet Secretary David Catanach, Director Oil Conservation Division

Response Required - Deadline Enclosed

Field Inspection Program "Preserving the Integrity of Our Environment"

05-Jul-16

ALAMO PERMIAN RESOURCES, LLC 415 W. WALL STREET, SUITE 500 MIDLAND TX 79701

LETTER OF VIOLATION - Inspection

Dear Operator:

The following inspection(s) indicate that the well, equipment, location or operational status of the well(s) failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date(s) indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

		1	NSPECTION	N DETAIL	SECTION		
SMITH STA Inspection Date	ATE No.001 Type Inspection	In	spector	Violation?	A-4-18S-28E *Significant Non-Compliance?	30-015-02556-00-0 Corrective Action Due By:	Inspection No.
07/05/2016	Routine/Periodic Violations General Housekeepi		ony Morales	Yes	No	10/8/2016	iTM1618741585
Comments		K. All Equipment			PJO. STAINING A	ROUND WELL HEAD	D.
	· · · · · · · · · · · · · · · · · · ·						
SOLT STAT	TE No.002 Type Inspection	In	spector	Violation?	P-5-18S-28E *Significant Non-Compliance?	30-015-25278-00-0 Corrective Action Due By:	0 Inspection No.
Inspection		c T	spector ony Morales		*Significant	Corrective	-

Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us

SOLT STAT	TE No.003	ŀ	Inspector	Violation?	O-5-18S-28E *Significant Non-Compliance?	30-015-25390-00-0 Corrective Action Due By:	0 Inspection No.
07/05/2016	Routine/Perio Violations		Tony Morales	Yes	No No	10/8/2016	iTM1618750503
Comments of	on Inspection:	OK. All Equipm TO WELL HEA	nent and Location in	Good Shape.	PJ CONTAMIN	ATED MATERIAL NI	EXT
FEATHERS Inspection Date	STONE STAT Type Inspection		Inspector	Violation?	K-2-18S-28E *Significant Non-Compliance?	30-015-39591-00-0 Corrective Action Due By:	0 Inspection No.
07/05/2016	Routine/Peric Violations General Houseki	odic ceping (Rule 114)	Tony Morales	Yes	No	10/8/2016	iTM1618730467
Comments	on Inspection:		nent and Location ir TED MATERIAL O			ROUND WELL HEA	D
FEATHERS Inspection Date	STONE STAT Type Inspectio		Inspector	Violation?	F-2-18S-28E *Significant Non-Compliance?	30-015-39592-00-(Corrective Action Due By:	H) Inspection No.
07/05/2016	Routine/Perio Violations General Housek	odic eeping (Rule [14)	Tony Morales	Yes	No	10/8/2016	iTM1618732900
Comments	on Inspection:				. PJ. STAINING AF	ROUND WELL HEAD CATION	

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Divison Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely, Artesia OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data. *Significant Non-Compliance events are reported directly to the EPA, Region VI, Dallas, Texas.

5 mith State#1 - General House Keepins, Staining Around well head has Been Temendiated. Will Start on Containment as soon as Possi Ale. Solt State#2 - General House Keeping, will remove old tanks as soon as economically Feasurale. Solt State #3 - General House Keeping, Contaminated Soil Temoved. Feather stone St. B.#5 - General House Keeping, Staining Feneral Lemoved for mediated. Feather stone St. B.#5 - General House Keeping, Staining Feneral inted + old food Fernoved.

> Oil Conservation Division * 811 S. First St. * Artesia, New Mexico 88210 Phone: 575-748-1283 * Fax: 575-748-9720 * http://www.emnrd.state.nm.us

Kirk Faries 10-7-16